

Running head: MEDICAL TRANSPORT CONTINGENCY PLAN FOR FIRE/EMS

Executive Development

Medical Transport Contingency Plan for a Rural Municipal Fire/EMS System

Timothy J. Wills

Cottonwood Fire Department

Cottonwood, Arizona

September 2008

## CERTIFICATION STATEMENT

I hereby certify that this paper constitutes my own product, that where the language of others is set forth, quotation marks so indicate, and appropriate credit is given where I have used the language, ideas, expressions, or writings of another.

Signed \_\_\_\_\_

### Abstract

Cottonwood Fire Department does not have a plan to provide medical transport services if the current ambulance provider discontinues service. This could potentially leave the community with inadequate or no medical transport. The purpose of this research project is to create an organizational contingency plan to provide ambulance service. Action research was used to conduct a situational analysis and identify the following: legal service obligations of both agencies, procedures to amend, experiences of other Arizona fire agencies, financial considerations, and identify an organizational model to best serve the Cottonwood Fire Department. Interviews, a review of Revised Statutes and organizational documents contributed to this research project. A contingency plan was developed to be used as a guide for Cottonwood Fire Department.

## Table of Contents

Abstract.....	Page 3
Table of Contents.....	Page 4
Introduction.....	Page 5
Background and Significance.....	Page 6
Literature Review.....	Page 10
Procedures.....	Page 14
Results.....	Page 17
Discussion.....	Page 23
Recommendations.....	Page 28
Reference List.....	Page 30

## Appendices

Appendix A: Cottonwood Municipal Code.....	Page 32
Appendix B: Interview questions with City Clerk.....	Page 34
Appendix C: Arizona Fire Departments Experience Questions.....	Page 35
Appendix D: Local Ambulance Provider Interview Questions.....	Page 36
Appendix E: Interview with City Finance Director Questions.....	Page 37
Appendix F: Situational Analysis.....	Page 38
Appendix G: Local Ambulance Provider Interview Results.....	Page 40
Appendix H: Cottonwood Fire Department Ambulance Contingency Plan.....	Page 41

## Medical Transport Contingency Plan for a Rural Municipal Fire/EMS System

### Introduction

Fire based Emergency Medical Services (EMS) continues to evolve across the United States. As fire incidence have declined, demand for EMS has steadily increased and most fire departments have established themselves as the EMS “first-responder for critical illness and injury” (Pratt, 2007, p. 4). One analogy is that fire departments deliver EMS in one of four categories, “they do not tolerate the EMS mission, they tolerate the EMS mission, they accept the EMS mission; or they embrace the EMS mission” (Ludwig, 2008)

Cottonwood Fire Department has evolved to a point somewhere between “accepting” and “embracing” the EMS mission. It provides EMS in partnership with a private, non-profit ambulance company whose services are also evolving. A neighboring fire district which operates its own ambulance service, has expressed an interest in taking over the private, non-profit ambulance service a couple of times in recent years. This has caused some discussion at the operations, administrative and policy making levels of various local agencies. Cottonwood Fire Department sees the possibility of the private, non-profit ambulance opting to go out of business and allowing a local fire/EMS agency assume the ambulance services as a ‘predictable surprise’ (Bazerman, 2004). The problem is Cottonwood Fire Department does not have a plan to provide medical transport services should the non-profit ambulance company go out of business. This could potentially leave our community with inadequate or no medical transport.

The purpose of this research project is to create an organizational contingency plan for the Cottonwood Fire Department should the non-profit ambulance company go out of business.

Action research was used for this project and the following questions were answered:

1. What are the legal service obligations of both agencies and what are the procedures for amending such obligations?
2. What experiences have other agencies in Arizona had when developing a plan to provide a combined fire & ambulance service?
3. What are the financial considerations should Cottonwood Fire Department assume medical transport responsibilities?
4. What organizational model would best serve the City of Cottonwood?

A situational analysis was also conducted to assist in developing the contingency plan.

### Background and Significance

The City of Cottonwood Fire Department serves a growing community in north central Arizona. Cottonwood's population is just over 11,000 with a daytime population increase of 38% as it serves as the commercial, medical, educational and government hub of the region (City-Data, 2008). Like many rural departments its origins began years ago out of necessity for fire protection. Its services have evolved over the years to be an all-hazards emergency response organization. EMS calls constitute 78% (1,915) of the departments 2,455 responses in 2007. The department is funded via the City's general fund with primary revenues coming from a City sales tax.

Cottonwood Fire Department is the primary EMS responder and Verde Valley Ambulance Company (VVAC), a private non-profit company, responds as a partnering agency with the medical transport Certificate of Necessity (CON). The fire department staffs a four-person Engine Company full-time with four firefighters cross-trained as paramedics. A Ladder Company, a second Engine Company and two support apparatus are staffed by off-duty and reserve personnel. CFD paramedics are state and nationally certified and serve under the

medical direction of a physician from the local medical center contracted for such purpose. In addition to the full-time operations staff, Cottonwood Fire Department operates with a Chief, Administrative Assistant, two cross-trained fire prevention personnel and ten reserve firefighter/emergency medical technicians. State of the art medical equipment is available on both Engine Companies. All local fire and EMS agencies are dispatched from a regional Fire and EMS dispatch center using emergency medical dispatch.

VVAC originated out of public necessity in 1972 to serve the incorporated communities of Cottonwood, Jerome and Clarkdale and the unincorporated areas of Bridgeport, Verde Village and Cornville. Starting as a volunteer agency it now has 12 full-time shift personnel and staffs two Paramedic Ambulances twenty four hours a day, seven days a week. Normal staffing is one paramedic and one EMT per ambulance. A third ambulance is scheduled 24/7 with a paramedic and EMT that must respond within ten minutes when the two staffed units are committed. Three additional ambulances are available and staffed by off-duty and reserve personnel as needed. Additional staff includes an Operations Manager, office assistant, billing specialist and 25 reserve emergency medical technicians. Operating with a CON granted by Arizona Department of Health Services-Bureau of EMS (AzBEMS) which regulates who, how and where and ambulance service provider can operate. VVAC works under the same medical direction as Cottonwood Fire Department and is funded by its users through Medicare, insurance and self-pay. Governed by a board of directors with representation from the local medical center and the three communities the company serves, an operations manager oversees the daily operations and in-house billing program.

Cottonwood Fire Department and VVAC work in tandem providing EMS to the City of Cottonwood. Average response time to first unit on scene is 5 minute 27 seconds with the

ambulance typically arriving within one minute of that time. Both agencies are actively involved with the local medical center's pre-hospital care committee and Northern Arizona EMS, our regional EMS council, which is a subcommittee of the State's EMS committee.

Aside from Cottonwood's EMS demands VVAC provides EMS transport with Jerome and Clarkdale Fire Departments which generated approximately 500 VVAC EMS calls in 2007. Interfacility transports accounted for another 550 service calls in 2007 (see Table 1); which typically involves transporting patients some 20-150 miles away for specialty care or services not available locally.

Table 1

2007 Annual Call Volume & Staffing				
	Annual Call Volume	EMS Call Volume	Full-time Staffing	Reserve Staffing
Clarkdale FD	579	405*	5	9
Jerome FD	127	89*	1	20
Cottonwood FD	2455	1915	15	15
Ambulance Provider	2963	2963	15	30

\*total calls x 70% estimated EMS

Source: Sedona Regional Fire/EMS Communications Center

In 1990, Verde Valley Fire District (VVFD), a neighboring department, petitioned Arizona AzBEMS for a Certificate of Necessity to provide their own ambulance service within their District which encompassed the unincorporated bedroom communities of Bridgeport and Verde Village located south and east of Cottonwood. This CON was granted and is collocated within VVAC's CON. In 2002, VVFD merged with another fire district located on its eastern



border which served the unincorporated community of Cornville. Another CON application was submitted and honored to extend VVFD's original CON to include the boundaries of the merged fire districts. VVAC did not contest this application and has operated amicably with this CON being collocated within VVAC's CON. VVFD has subsequently expressed unsolicited interest in assuming the responsibility for all of VVAC's operations as recently as 2007 (J. Doerksen, personal communication, December 5, 2006). The risk to the City of Cottonwood should this occur would be a potential decrease in service and response times as the two staffed Paramedic Ambulances currently located in Cottonwood could be redistributed to supplement VVFD's ambulance staffing and leave Cottonwood with only one staffed ambulance. A secondary concern is the loss of a potential revenue source to offset the City's EMS costs.

As VVAC was established to address a public service need in the early 1970's none of the local fire departments were interested or equipped to provide EMS. Since that time, each of the incorporated and unincorporated communities served by VVAC are receiving organized first-responder EMS; most at the paramedic level, by Cottonwood, Jerome or Clarkdale Fire Department. Cottonwood is the single greatest stakeholder in the medical transport services VVAC provides. The City of Cottonwood Fire Department should plan for the future and prepare a contingency plan for providing ambulance services to the City and the balance of VVAC CON area should they formally solicit an opportunity to merge or otherwise chose to go out of business.

It is not anticipated that Jerome or Clarkdale Fire Departments to have interest beyond ensuring medical transport or be in a position to assume all or part of the ambulance service should VVAC go out of business due to the limited number of medical calls originating within their jurisdictions.

As the Department's Operations and EMS Coordinator, our current and future medical transportation services are of critical concern. The topic of timely and efficient medical transport is part of Cottonwood Fire Department's risk management considerations and is an emerging issue that could be an issue in the coming months or years. Five major themes were presented in the Executive Development Course at the National Fire Academy (Executive Development, 2006). Components of each of those themes will be exercised to research the problem, identify and develop a plan to best respond to an emerging issue within Cottonwood Fire Department.

### Literature Review

Fire based EMS is not a new concept within the past few years. A white paper entitled 'Prehospital 911 Emergency Medical Response: The Role of the United States Fire Service in Delivery and Coordination' reflects on the long evolution of fire based EMS and makes a case for the fire service to further anchor itself in EMS (Pratt, 2007). Fire Departments have 'become the first-line medical responder for critical illness and injury in virtually every community in America' (Pratt, 2007, p. 4). EMS is no longer just *one* of the services fire departments provide; it is a primary function and duty. Since the 1960s, the fire service has evolved and adapted its services to meet their communities' needs. Fire stations are traditionally and strategically located to best meet the communities' emergency service demands.

The success of the fire departments EMS is based on the community, political and administrative support. Too often there is political, financial, cultural and organizational confusion over 9-1-1 EMS services. Dr. Pratt states that "EMS is Not an Ambulance Ride" (2007, p. 14). It is not just about calling 9-1-1 and an ambulance shows up. Today's EMS systems include community education and injury prevention, emergency medical dispatching,

basic EMT to paramedic level first responders arriving on the closest appropriate fire apparatus, and then...the ambulance transports to a medical facility.

Fire based EMS can be configured in several ways to meet community needs. Most fire departments provide basic to advanced life support services. Some use single-role, fire only and EMS only personnel while others cross-train some or all of their personnel. Some provide emergency and non-emergency medical transport while others only provide the emergency transport. Another model includes a private or “third service” agency that responds with the fire department providing medical transport using single role EMS personnel (Pratt, 2007, p. 10). Reimbursement for the first responder services fire departments provide is limited unless their services include the ambulance transportation component.

In a separate article, Gary Ludwig challenges the fire services commitment to EMS and concludes that there are four categories by which fire departments go about delivering EMS: “They do not tolerate the EMS mission; they tolerate the EMS mission; they accept the EMS mission; or they embrace the EMS mission” (Ludwig, 2008, p.1). Mr. Ludwig goes on to describe what he means with each category. A department that *accepts* the EMS mission will have a more positive attitude of EMS, provide an adequate budget, support personnel to provide and receive training, monitor and improve the EMS system. To *embrace* the EMS mission a department accepts EMS, dedicates more than sufficient resources, the organization’s attitude is that EMS “is a vital and necessary part of what the department does” (Ludwig, 2008, p.3). EMS certification is required throughout one’s career. These agencies typically have incorporated EMS in to their department name and provide EMS transport, and if not, are seeking opportunities to do so.

Locally, Verde Valley Medical Center's Pre-hospital EMS Medical Director, Todd Lang, MD, (personal communication, Spring 2008) has expressed his concern with agencies that transfer patient care from one agency to another, cautioning that the transfer of care is a high risk event that is prone to critical patient and treatment information being delayed or dropped all together. Patient transfers have, can and will occur, but involved responders should be careful and thorough with the patient and treatment information that is transferred. Using a private or "third service" emergency ambulance provider potentially creates this 'high risk' opportunity on *every* emergency call.

Emergency 9-1-1 response versus non-emergency response is another issue that should be addressed in a fire based EMS system. Cardiac, stroke and diabetic emergencies are but a few of the situations that require a quick emergency response, timely and appropriate field treatment with a rapid transport to the nearest appropriate medical facility where 9-1-1 EMS can make a difference between life or death (Pratt, 2007, p. 11). Typically, this care is provided by the first arriving fire apparatus "in most communities in America" (Pratt, p. 12). Conversely, non-emergency response is typically associated with transport of patients from one medical facility to another for specialized care and services, "such services typically are not performed by fire departments as a fundamental public policy device to better ensure dedicated 9-1-1 emergency services". (Pratt, 2007, p. 12).

Within Arizona, Fire Chief Rick Southey conducted an applied research project entitled "EMS in the Fire Service: is transportation included?" (1997). Chief Southey's Bullhead City Fire Department has been providing both emergency and non-emergency ambulance service since 1971. The results of one aspect of his research are they have what other departments

would like and that is an ambulance service that can provide essential services and a revenue source to offset the costs of providing services.

In late 2007, Avra Valley (Arizona) Fire District, had to lay off more than half of their firefighter/EMS personnel as a result of “a mismanagement of funds” not specific to their ambulance operations (Layoffs in Arizona Fire District, 2008). This reduction in staffing affected their ability to respond to every emergency. Closing two stations and operating with half their normal staff took a toll on their ability to meet the requirements of their CON. AzBEMS issued a 90-day emergency CON to allow another ambulance provider to service portions of Avra Valley’s District. As of August 2008, Avra Valley is rebuilding with plans to secure and regain a CON for their entire District (Cleveland, 2008). Opportunities remain, however, it appears Arizona AzBEMS has worked cooperatively with Avra Valley and neighboring service providers to ensure EMS are available.

Outside of Arizona, a “Fire Department Ambulance Options report” was written by Fire Chief Terry S. Jackson of the Marion (Iowa) City Fire Department (2005). Their department was approaching a fire based EMS crossroad and studied three ambulance service options for their community. Background information, assumptions and unknowns were addressed as it pertained to Marion Fire Department. This report was enlightening as it addressed patient care, financial, regionalization, billing, administration, facility capacity and growth issues that they were considering. Many of these key issues should be considered in a Cottonwood Fire Department ambulance contingency plan.

Several change models were discussed in the Executive Development course at the National Fire Academy. To accomplish this applied research project it is important to be aware of the stages of change. Communicating, informing and educating the stakeholders will be

paramount. To alleviate fears of change leaders must communicate new directions, goals, explain why things must change and get people involved so they know the plan and the direction the organization is going. Changing the ambulance service from one agency to another is *change*; organizational leaders should be prepared to lead and manage this change.

### Procedures

The primary purpose of this research is to develop a plan to provide medical transport services should the non-profit ambulance company go out of business. A situational analysis was conducted as suggested in Executive Development (2006), to assist in identifying causes and contributing factors of this paper's research, factors were identified that could assist or impede this effort. These factors were identified through various discussions on values, mission and operations of the department at fire department staff meetings, fire department officer meetings, and combined officer meetings with VVAC occurring over the months of January through August 2008. They are not the result of a specific agenda item to complete a portion of this research. It was anticipated that if this portion of the research was agendaized in these meetings the results would be biased towards an individual or groups opinion on future ambulance service.

Question 1, what are the legal services obligations of both agencies and what are the procedures for amending such obligations? Using our city's website, the author was able to locate the City of Cottonwood's Municipal Code to locate the legal authority and responsibilities of the Cottonwood Fire Department (see Appendix A). This resulted in a telephone interview with the City Clerk in August 2008 to validate its applicability and identify how it is amended if deemed necessary (See Appendix B).

Using Google Search, the author located the Arizona Revised Statutes (ARS) and AzBEMS for further literature research to identify legal requirements of operating or establishing

ambulance services. Key search words included in various combinations: Arizona Revised Statutes, Arizona Department of Health Services EMS, Emergency Medical Services, Ambulance, Medical Director, Certificate of Necessity, and Bureau of EMS.

Question 2, what experiences have other agencies in Arizona had when developing a plan to provide a combined fire & ambulance service? Email correspondence was directed to an AzBEMS CON Program Manager and the chairman of the regional EMS council to identify Arizona fire departments that have assumed medical transport responsibilities and gather first-hand experiences and insights. Three questions were posed to identify Arizona experiences (see Appendix C). Additionally, an internet search using Google with the key words: Arizona, fire department, ambulance, service, provider, options, and certificate, to further identify relevant experiences.

Question 3, what are the financial considerations should Cottonwood Fire Department assume medical transport responsibilities? Acquire and review the current ambulance provider's annual budget and business plan for financial situation, organizational direction, and operational outlook to determine risk and benefits should it become part of Cottonwood Fire Department's service delivery. Discuss ambulance company's potential direction and financial stability with the current operation's manager of the ambulance company. Telephone interviews were sought with local fire districts' EMS coordinators that are currently providing ambulance service and transport primarily to our local medical center. These interviews sought to gather both financial as well as staffing model information (see Appendix D). Two of the respondents referred the financial questions to the most appropriate financial clerk to best answer the questions.

Question 4, what organizational model would best serve the City of Cottonwood? Interview neighboring department's EMS coordinators to determine their service delivery

models, are they a separate division or integral to fire department operations and how they conduct their ambulance billing (see Appendix D). Evaluate Cottonwood's existing organizational model with findings of neighboring department's to identify a proposed model that could incorporate existing human resources and maximize use of capital and operational resources and services.

An interview with the City's Finance Director was conducted to identify the process of incorporating medical transport services into the fire department operations and budget (see Appendix E).

### Limitations

As the purpose of this project addresses the issue of operating an ambulance in Arizona, the author quickly found that relative experiences were limited at best. The internet search to answer "Question 2-regarding Arizona Experiences" resulted in an expanded search outside of Arizona which located the Marion Fire Department's Ambulance Options Report (Jackson, 2005). Jackson's report was reviewed and helped develop objectives to include in this research project's plan.

### Definition of Terms

Certificate of Necessity: means a certificate that is issued to an ambulance service by the department and that describes the following: (a) Service area, (b) Level of service (c) Type of service, (d) Hours of operation, (e) Effective date., (f) Expiration date, (g) Legal name and address of the ambulance service, (h) Any limiting or special provisions the director prescribes (Emergency Medical Services-Definitions, 2008)



## Results

### Situational Analysis Results

Over the course of several months, January through August 2008, EMS service delivery was a general discussion item at department staff or officer meetings (occurring on alternating months). Combined officer meetings were held in January, March and June 2008 with representatives from both VVAC and Cottonwood Fire Department. From these discussions the author surmised the situational forces that *assist* or *impede* this research purpose (see Appendix F).

There are several existing situational forces that are likely to *assist* in creating a workable ambulance plan for Cottonwood Fire Department not the least of which is the level of services provided and the working history of the two providers working as a team for the past 30-plus years. Financial issues should not be a significant hurdle as the City and VVAC have a history of operating within established budgets. VVAC's expertise in billing Medicare, Medicaid and insurance providers will be critical in this efforts success. Combining their billing efforts with the City's billing department should result in a synergistic outcome. AzBEMS has clearly defined procedures for terminating and establishing a Certificate of Necessity to operate an ambulance service as will be discussed with the legal considerations question.

Several of the *impeding* forces identified could be minimized or eliminated by communicating; educating and informing the various stakeholders (see Appendix F).

### Question 1

Cottonwood Fire Department operates under the authority of the Municipal Code adopted by the City of Cottonwood. This research found that Chapter 2.48 of the City's Municipal Code legally establishes the Fire Department and defines their powers and duties (Cottonwood AZ

Municipal Code, 2007). This document is antiquated and is based on the limited services and staffing the department provided on and prior to 1981. Whereas it does not prohibit the fire department from providing the current or future service levels of EMS, rescue and hazardous materials, it does not address such services either. To assume additional services such as the ambulance service would not require a change to the Municipal Code. A subsequent telephone interview with City Clerk, in August of 2008, confirmed that the Municipal Code is the legal document that establishes Cottonwood Fire Department. To amend the Municipal Code, the fire department would draft its recommended changes and submit them to the City Clerk to be placed on a City Council work session agenda where it can be discussed with the Council, City and Fire Department staff. A proposed ordinance incorporating key points of the discussion would then be drafted and submitted to the City Attorney for review and approval after which time it would go before the Council as a proposed ordinance for adoption.

Using the internet to access the AzBEMS website the author was able to locate specific information regarding the regulation and procedures for establishing, operating and transferring ambulance services within the state of Arizona. One page lists the statutes and rules directly related to operating a ground ambulance (Ground Ambulance Regulation, 2008). These statutes, laws, establish the CON, insurance, terms of service, rates, fees, records and hearing requirements to acquire and operate an ambulance in the state of Arizona. It also references the Arizona Administrative Code which further describes how the statutes are to be met (Ground Ambulance Certificate of Necessity, 2001). Another page on the AzBEMS site describes a step-by-step process for obtaining a “Ground Ambulance Certificate of Necessity” (Ground Ambulance CON Program, 2007). This page includes links to access an “Application for Ground Ambulance Service Certificate of Necessity” and an “Ambulance Revenue and Cost

Report”. The application solicits the identification and contact information of the entity desiring a CON, basic ambulance vehicle information and establishes an application fee of \$50 plus \$200 per ambulance. The “Ambulance Revenue and Cost Report” establishes the financial foundation for the service and documents the applicant’s: Statistical Support Data, Statement of Income, Operating Revenue, Wages-taxes-Employee Benefits, Expenses, any Contractual or Subscription Allowances, Detail of Interest, Balance Sheet and Statement of Cash Flows. Both web pages are copyright protected and subject to periodic updates so they are not included herewith.

Throughout this step-by-step process references are made to various ARS.

Researching ARS was rather straight forward and easily located each of the specified and related statutes referenced on AzBEMS web page. These statutes further describe and clarify each step of the process to acquire a CON.

The CON application and Ambulance Revenue and Cost Report will require time and effort to complete but could be compiled within a 30-day time frame for information gathering and documentation on the part of the City, fire department and VVAC. The Arizona AzBEMS has established a review time frame of 60-420 days for an initial Certificate of Necessity application.

## Question 2

In August 2008 emails were sent to an AzBEMS CON Program Manger, as identified on their website and the chairman of the regional EMS council to identify Arizona fire department experiences in acquiring an ambulance CON within the past ten years. There was no response from the regional EMS chairman. A veteran AzBEMS CON Program Manager responded that in 2002, VVFD merged with another fire district and expanded their CON to cover the boundaries of the newly formed fire district. He further stated that two ambulance companies

took over services for two other ambulance companies. The third question, inquired as to fire based Certificate of Necessities struggling to provide ambulance service as was discussed in the literature review regarding Avra Valley Fire District. AzBEMS responded that many fire based CONs struggle with retaining qualified personnel in rural Arizona. Finances are also an issue as “most fire based CONs” have chosen to subsidize their ambulance service with tax revenues and subsequently have lower ambulance billing rates than non-tax subsidized ambulance providers.

Based on the limited information on Arizona experiences, an internet literary search was expanded excluding the term “Arizona” in the search and located the City of Marion’s Ambulance Options Report (Jackson, 2005). Of the three options they were considering, two included part or full ownership of the ambulance service. With ownership comes responsibility for any profit or loss, some or total authority, control and liability. As a current paramedic first responder they do not bill for EMS and the ambulance provider continues to operate in a deficit being subsidized by their local medical center. One option forecasts a profit in year four with profits anticipated to enhance services or reduce user costs (Jackson, 2005).

If Marion Fire Department was to provide their own service they would not provide non-emergency transport and would outsource their ambulance billing. In each of the options, collection rates were conservatively less than 65%. Owning their service would require additional administrative oversight and software to facilitate EMS reporting to the state. Marion’s current and anticipated facilities are sufficient to accommodate three ambulances. Regardless of which option is selected, Marion Fire Department is confident their patients will always benefit from professional care 24 hours a day seven days a week.

### Question 3

VVAC's Business Plan is not a matter of public record and is withheld from this report. Of interest in this review is that service demand is growing at a rate of 5-8% annually. They anticipate adding another full-time unit (6 personnel) on or before 2010. Based on their CON., which limits or prohibits another ambulance company from entering their market area, most business, competition, and financial risks are minimal. They currently bill at a base rate of \$900 plus mileage per patient and are rightly proud of their >90% collection rate. VVFD Fire District holds a CON located with the VVAC's CON which is identified as a 'very low risk' competitor should they choose to merge with another fire department/district. In reviewing the non-profit ambulance company's budget, they show net profit of \$307,457, \$101,986 and \$198,000 for 2005, 2006 & 2007 respectively.

Meetings with the ambulance company's operations manager validates that the ambulance is operating with a significantly positive cash flow. The operations manager stated that his Board of Directors has not directed him to solicit or pursue merging or combining their services with any other entity; but stated that Cottonwood Fire Department should plan accordingly should the opportunity present.

Telephone interviews were initiated in August of 2008 with four neighboring fire districts that provide ambulance service. Cottonwood, Clarkdale and Jerome Fire Department work with VVAC as their ambulance provider and were not included in the interviews (see Appendix G). VVAC data is extrapolated from their Business Plan and financial documents. Either the EMS coordinator or EMS financial clerk were interviewed. One district did not respond. Two of the providers conduct their ambulance billing in-house, the other two do not. Of those, one is considering changing their 3<sup>rd</sup> party billing to VVAC's Billing Department and the other is

happy with their billing provider. One agency has a collection rate of 65% and only bills the patient's insurance provider and Medicare which results in a one million dollar deficit which is subsidized by the district's property tax. Another FD did not provide expense data which prohibits a profit or loss from being determined. Two providers felt providing ambulance service is a cost effective option with the other two stating that some revenue is better than none.

#### Question 4

Four neighboring fire districts offer ambulance transport as part of their basic services. Telephone contact was made with each agency's EMS coordinator to discuss their staffing model. One district did not participate in this survey. Each agency staffs their ambulances with cross-trained (Fire & EMS) personnel and responds their ambulance in addition to an ALS Engine Company running out of a staffed station to all medical emergencies. Staffed stations are located proximal to service demands. Only one of the fire department's responding provides interfacility transports.

An interview with Cottonwood's City Finance Director Jesus Rodriguez was conducted in August 2008 via telephone to identify the process of incorporating medical transport services into the fire department operations. Mr. Rodriguez advised that any new service delivery program would optimally be presented during the annual budget development process beginning in February of each year. During that process program justification, risks, revenues and expenses are prepared and presented to City administration and to City Council for consideration in the forthcoming budget year which runs July- June annually. A midyear proposal of a new service delivery program is possible but not encouraged. The process, should the City and VVAC desire to merge midyear, would include a work session with City Administration and Council to discuss the program as if it were part of the budget development process and the

Council would consider the risk, benefit and ability to operate the service from “reserve funds” for the current year then establish a formal budget in the next budget cycle. If supported it would then go before Council as a formal agenda item for approval or redirection.

Using this information, eight objectives and timeframes were incorporated into the Cottonwood Fire Department Ambulance Contingency Plan (see Appendix H). City and Department staff can use this document as a guide in the event of a sudden or delayed exit of the current ambulance service provider.

### Discussion

Cottonwood Fire Department and VVAC have a long and productive history in providing EMS services to the communities they serve. VVAC began as a community service need. Since their origins in the 1970’s, each of the local fire departments, within VVAC’s CON, has evolved to provide paramedic level first-responder care. One of the neighboring fire district’s, VVFD, has evolved to include emergency ambulance services via a separate CON which covers more than half of VVAC’s geographical area. VVFD has expressed an interest in assuming all of VVAC CON. This alone could cause VVAC Board of Directors and management to consider an opportunity to go out of business, as the public service need could be addressed by another existing agency. VVAC is a stable and professional service provider that may have fulfilled its community service obligation and could go out of business with one or more of the fire based EMS systems picking up where VVAC has concluded. Residents, patrons, and Cottonwood Fire Department could be adversely affected should it not be prepared to pursue and assume the ambulance transport services.

There are more situational forces that support Cottonwood Fire in pursuing a CON than forces than would impede such an effort. As an established first-responder Cottonwood Fire

department “embraces” the EMS mission with 4-person engine companies, each being a paramedic, with state of the art equipment and progressive training programs (Ludwig, 2008). To further build on this commitment to service, Cottonwood should pursue the medical transportation component to assume total responsibility and authority of critically injured or ill patients from the scene to the nearest appropriate medical facility. This will minimize risks associated with transfer of patient care as discussed by Dr. Pratt (2008) and Cottonwood Fire Department’s Medical Director, Dr. Lang. Neighboring fire agencies that provide their own ambulance service state the benefits include improved resource management, improved continuity of care and some or total cost recovery of the EMS services provided.

Another favorable factor is VVAC is a qualified and capable provider that is adequately staffed and equipped. Both Cottonwood Fire Department and VVAC are active members in local and regional medical and communication committees. The strength of both agencies coming together, in many ways, would be a formality of renaming vehicles and uniforms; as existing personnel and equipment are critical to the continued success (see Appendix F).

Several situational forces were identified that may impede this process. Key among them is the cost of providing the service. City administration, Council and the public should be educated and informed on the totality of EMS services (Pratt, 2007), the costs and revenue experiences of VVAC. VVAC’s revenues and growth are projected to continue and should not change significantly if it were to become part of Cottonwood Fire Department services. Profits can be used to further improve the service or offset previously unreimbursed Cottonwood Fire Department EMS expenses. The service should be continued as a user-pays service with rates adjusted to cover future costs.



VVAC assumed billing services in-house a couple of years back as they noticed unsatisfactory collection rates from their third-party billing agency. Since then they have seen their collection rate increase steadily and attribute it to having a personal interest in their own company's success. Locally, there is a noticeable difference in the collection rate and financial stability with those agencies that bill in-house as opposed to contracting it out. Marion Fire Department's current ambulance service operates in a deficit with 3<sup>rd</sup> party billing as well (Jackson, 2005).

Salaries, benefits and overtime are of concern to both Cottonwood Fire Department and VVAC. Cottonwood has a history of decreased staffing when personnel are off for vacation time, sick time, etc. Salaries, benefits, and overtime should be studied to incorporate them into the City's pay scale without penalty. Organizationally, minimum staffing requirements should be reviewed and adjusted to ensure services demands can be met safely and efficiently. Cottonwood Fire would need to incorporate most if not all of the current VVAC personnel into the new model; unlike Marion Fire Department who proposed using existing and new hires to operate their ambulance,

Another impeding factor is the interest of VVFD in acquiring VVAC's entire CON. To their advantage, they have a working history of providing ambulance service and have successfully expanded their services beyond their original CON. Conversely, this may be difficult for them to justify as their current ambulance service operates in a deficit and is subsidized by the taxpayers. A benefit their community has supported as they will only bill the patient's insurance and not individual patients directly so long as they are a district resident. VVAC personnel may be more interested in VVFD benefits should they make a proposal as their overtime and insurance benefits are markedly better than the City's. Staffing and response times

by Cottonwood, Clarkdale and Jerome ambulances could be delayed if VVFD redistributed VVAC personnel to VVFD ambulances located in Verde Village and Cornville.

AzBEMS is the ultimate authority in acquiring a CON and ensure the fair and consistent application of Arizona Revised Statutes as they apply to ambulance services in Arizona. They have a vested interest in ensuring that consistent, quality and efficient ambulance services are provided. Communicating often and early in this process will be to each party's best interest. Locally, the legal role and function of the fire department as published in the City's Municipal Code is significantly dated and does not reflect its current role and mission within the City of Cottonwood. The document should be updated imminently and every five to ten years thereafter. Including the currently provided services into the Municipal Code could be beneficial should Cottonwood Fire Department need to compete for a CON covering the City of Cottonwood.

The only Arizona fire district that has acquired an ambulance CON within the past several years is VVFD. As a neighboring department, their acquisition provided limited *additional* insight to this research as Cottonwood Fire Department operates frequently with their personnel and services. Their data was included in this research (see Appendix G).

MFD's report seemed to favor partial or full ambulance ownership (Jackson, 2005). Having greater control or oversight of the service and the potential to recoup some or all of the expenses can only happen with ownership (Pratt, 2007). Non-emergency transports may not be an essential service of a fire departments service but should be considered if it will not detract from the emergency services of the community and its exclusion could allow for financial stability of a City run emergency ambulance service and a 3<sup>rd</sup> party non-emergency service simultaneously.

Per AzBEMS, rural fire based ambulance service providers occasionally struggle to keep qualified personnel and are subsidized by the property tax for fire protection services. Locally, Cottonwood Fire Department and neighboring agencies have not experienced a shortage of qualified personnel. VVAC's financial picture is positive and its forecast is good. Cottonwood Fire Department would seek to operate it as a positive cash flow service to potentially offset some of the unreimbursed EMS expenses it currently encumbers. Cottonwood City Council has traditionally operated with an overly conservative budget and supports new services if it can cover its own costs or is considered to be an essential service that benefits the community. This is not expected to change and support for providing ambulance service as a City service is anticipated.

Neighboring providers provided financial and operational data that favors providing ambulance service as an integral component of the Fire-EMS based services (see Appendix G). All stated they support fire based EMS providing the ambulance transport. A closer look at those agencies that are not generating enough revenue to cover costs is warranted; on the surface it appears the amount they bill, who they bill and their collection rates may be a significant contributor to this shortfall. Additionally, those that handle the billing in-house seem to have a vested interest in increasing their collection rate and have greater influence in timely, accurate medical charting and billing procedures with operations personnel.

The literature review identified that Bullhead City Fire District conducted a study which suggests that fire departments should consider providing non-emergency and interfacility transportation services to the members of their community (Southey, 1997). Conversely, Doctor Pratt (2007) suggests that critical and non-critical interfacility transports are frequently non-

emergent and are typically not performed by fire departments to allow them to focus on the emergency service demands of their community.

### Recommendations

It is this author's recommendation that Cottonwood Fire Department have more than a casual interest in the delivery of ambulance transport services within the City of Cottonwood. 82% of VVAC's transports are emergency and non-emergency transports originating from within the City of Cottonwood, making Cottonwood the single greatest consumer of VVAC's services. Fragmenting the ambulance service to exclude other jurisdictions currently serviced by VVAC is unrealistic and is not a consideration with this proposal. Providing ambulance services is economically viable based on VVAC's financial history and forecast and offers several operational benefits to the cumulative services Cottonwood Fire Department provides.

Incorporating as much of VVAC's personnel and capital resources into the Cottonwood Fire Department's service delivery model is desired. Ambulance service should be an integral component of the Department's operations. Cross training of personnel to perform both fire and EMS services is preferred for 50-60% of the acquired ambulance personnel. EMS only personnel are valued assets for non-fire related operations including some EMS operations, supervision and management.

The Cottonwood Fire Department Ambulance Contingency Plan (see Appendix H) can be used as a guide in the event the current ambulance provider seeks interest or chooses to go out of business. Objective 1 relates to the Cottonwood Municipal Code which needs to be updated to more accurately establish the function and purpose of Cottonwood Fire Department; and

should happen regardless of the remaining objectives. The remaining objectives should be reviewed annually for relevance.

Future readers should consider the current operational, financial and political environments they are operating in when developing their contingency plan. In Cottonwood Fire Department's situation the system was not broke. Response times were good, services were good, income and expenses were favorable. What started out as a service to meet a community need has grown in an environment where fire departments are now providing a significant portion of the communities' EMS. Perhaps Cottonwood Fire Department should take a more proactive pursuit in merging the ambulance services and not wait for the current provider to solicit an interest.

## References

- Bazerman, M. H., & Watkins, M.D. (2004). Predictable Surprises-The Disasters You Should Have Seen Coming, and How to Prevent Them. Boston, MA: Harvard Business School Press.
- City-Data.com (2008). Cottonwood, Arizona Population Data. Retrieved September 2, 2008, from <http://www.city-data.com/city/Cottonwood-Arizona.html>
- Cleveland, D. (2008, August 13). Avra Valley Fire District recovering From a Tough Year. Fox11AZ.com. Retrieved August 2008.
- Cottonwood AZ Municipal Code (2007). Cottonwood Municipal Code. Retrieved August 5, 2008, from <http://municipalcodes.lexisnexis.com/codes/cottonwood>.
- Emergency Medical Services-Definitions (2002). A.R.S. 36-2201. Retrieved July 2008, from <http://www.azleg.state.az.us/FormatDocument.asp?inDoc=/ars/36/02201.htm&Title=36&DocType=ARS> .
- Executive Development-Student Manual (2006) Emmitsburg, MD: United States Department of Homeland Security.
- Ground Ambulance Certificate of Necessity (2001). Arizona Administrative Code, Title 9 Health Services Retrieved August 2008, from [http://www.azsos.gov/public\\_services/Title\\_09/9-25.htm#Article\\_9](http://www.azsos.gov/public_services/Title_09/9-25.htm#Article_9).
- Ground Ambulance Certificate of Necessity Program (2007). Arizona Department of Health Services Bureau of EMS. Retrieved July 2008, from <http://www.azdhs.gov/bems/conpage.htm>.
- Ground Ambulance Regulations (2008). Arizona Department of Health Services Bureau of EMS. Retrieved July 2008, from <http://www.azdhs.gov/bems/ambrules.htm>.

- Jackson, T. S. (2005, April 29). Fire Department Ambulance Options Report. Retrieved July 2008, from <http://www.cityofmarion.org/fire/ambulancereport>.
- Layoffs in Arizona Fire District (2008, January 29). Arizona Daily Star. Retrieved August 5, 2008, from <http://www.firetimes.com/subcontent.asp?FragID=13081>
- Ludwig, G. (2008). Four Categories of Fire-Based EMS. EMSRESPONDER.com. Retrieved August 15, 2008.
- Pratt, F. D., Pepe, P.E., Katz, S., & Persse, D. (2007). Prehospital 9-1-1 Emergency Medical Response: The Role of the United States Fire Service in Delivery and Coordination. Retrieved August 5, 2008, from [http://www.cfsi.org/EMS\\_Coalition/FB%20EMS%20Whitepaper%20FINAL%20July%2005%202007%20.pdf](http://www.cfsi.org/EMS_Coalition/FB%20EMS%20Whitepaper%20FINAL%20July%2005%202007%20.pdf).
- Regulation of Ambulances and Ambulance Services (1997), A.R.S. 36-2232-2246. Retrieved July 2008, from <http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp?Title=36>
- Southey, R. (1997). EMS in the Fire Service: is Transportation Included?. Emmitsburg, MD: National Fire Academy.

## Appendix A

## Cottonwood Municipal Code

**Chapter 2.48 FIRE DEPARTMENT****2.48.010 Created-Composition.**

There is created a fire department for the city which shall consist of a chief and as many firemen as may from time to time be deemed necessary by the council. (Ord. 114 (part), 1981: Ord. 56 (part), 1976: prior code § 4-2-1)

**2.48.010 Created-Composition.**

There is created a fire department for the city which shall consist of a chief and as many firemen as may from time to time be deemed necessary by the council. (Ord. 114 (part), 1981: Ord. 56 (part), 1976: prior code § 4-2-1)

**2.48.020 Rules and regulations.**

The fire department shall be operated and managed in accordance with such departmental rules and regulations as may from time to time be adopted by the council. (Ord. 114 (part), 1981: prior code § 4-2-2)

**2.48.030 Fire chief-Appointment-Powers and duties.**

The chief of the fire department shall be appointed by the city manager subject to approval of the city council. It shall be the duty of the chief to:

- A. Be accountable for the personnel, morale and general efficiency of the fire department;
- B. Direct the operations of the fire department subject to the rules and regulations thereof;
- C. Be present at all fires, if possible, and plan and direct his subordinates. During the progress of a fire the authority of the fire chief shall be absolute in all matters directly concerning the extinguishment of the fire and the disposition of property endangered by it;
- D. Conduct suitable drills or instruction in the operation and handling of equipment, first aid and rescue work, salvage, a study of buildings in the city, water supplies and all other matters generally considered essential to good firemanship and safety of life and property from fire at least once a month;
- E. Assist the proper authorities in suppressing the crime of arson by investigating or causing to be investigated the cause, origin and circumstances of all fires;
- F. Inspect buildings and premises and serve written notice upon the owner or occupant to abate, within a specified time, any and all fire hazards that may be found. For the purpose of conducting such inspection, the chief is empowered to enter any and all buildings and premises within the city at any reasonable hour. Any person served with such written notice shall comply therewith and promptly notify the chief;
- G. Keep complete records of all fires, inspections, apparatus and equipment, personnel and other information about the work of the department open to council inspection and furnish to the council such information upon request;
- H. Make a complete annual report, in writing, to the council within one month after the close of the fiscal year, and such report shall include the information specified in subsection G of this section, together with comparative data for previous years and recommendations for improving the effectiveness of the department;
- I. Issuance of citations by designated fire department officers of the city who have the discretionary duty to enforce a statute or ordinance may, pursuant to A.R.S. Article 7, Chapter 38, Title 13, and subject to the provisions of this chapter, arrest a person without a warrant whenever any such officer has reasonable cause to believe that the person to be arrested has



committed a Class 3 Misdemeanor in the officer's presence which he or she has the discretionary duty to enforce, and to issue a notice to appear and to release such person on his or her written promise to appear in court, pursuant to A.R.S. 13-3903. No officer shall be allowed by his or her superior to exercise the arrest and citation authority conferred in this chapter, unless such officer is within a classification of fire department officers and employees designated by resolution of the city council to exercise such arrest and citation authority as to specified misdemeanor violations. The city manager shall establish and cause to be administered, a special enforcement training program designed to instruct each officer who will exercise such arrest and citation authority, regarding the provisions of the statutes and ordinances to be enforced, the evidentiary prerequisites to proper prosecution for violations thereof, the appropriate procedures for making arrests or otherwise prudently exercising such arrest and citation authority, and the legal and practical ramifications and limitations attendant thereto. All citations issued pursuant to this code shall be made in accordance with Arizona Revised Statutes and a policy and procedures manual to be adopted by the fire department. Any such officers shall be appropriately instructed to forward executed citations or notices.

J. Demote, dismiss or expel any officer or member of the department for neglect or refusal to perform department duties, subject to the right of any members so demoted, dismissed or expelled to appeal to the council. (Ord. 114 (part), 1981; Ord. 103 (part), 1980; Ord. 56 § 1(part), 1976; prior code § 4-2-3)

## Appendix B

### Telephone interview questions with City Clerk

1. Is the City of Cottonwood's Municipal Code the primary legal authority for providing emergency services within the City of Cottonwood?
2. What is the process to update the Municipal Code?

## Appendix C

### Arizona Fire Departments Experience

The following questions were emailed to the AzBEMS & NAEMS contact of record or as identified by the organization's website in August 2008, to determine what Arizona Fire Departments have experiences:

1. What fire agencies, if any, have merged or assumed an ambulance company's CON within the last ten years?
2. Have there been any ambulance companies that have merged or assumed another entity's CON within the last ten years?
3. Recently, Avra Valley has struggled to provide the services stipulated in their CON. Are there other Fire Department based CONs that are or have struggled? (I don't need specifics, but general frequency and cause-financial, personnel/staffing, patient care issues, etc.)

## Appendix D

## Local Ambulance Provider Interview

The following questions were asked via telephone interviews in August 2008:

1. How many calls did your agency respond to in 2007?
2. How many calls involved ambulance transport in 2007?
3. Do you bill the patient for ambulance services?
4. Is billing conducted in-house or contracted to a 3<sup>rd</sup> party?
5. What were your ambulance revenues for 2007?
6. What were your ambulance expenses for 2007?
7. What is the net profit or loss for 2007?
8. What is the collection rate for your ambulance services in 2007?
9. Do you feel the ambulance service is cost effective?
10. Are Ambulance personnel cross-trained and used as firefighters?
11. Does your agency conduct interfacility transports?
12. Miscellaneous comments:

## Appendix E

## Interview with City Finance Director

The following questions were asked via a telephone interview in August 2008:

1. How would Cottonwood Fire Department incorporate the resources, income and expenses of operating the ambulance services into the City's budget?
2. If the City needed to incorporate ambulance services prior to the annual budget development process, within a current fiscal year; what would be the process of building it into the current year's budget?

## Appendix F

## Situational Analysis

Cottonwood Fire Department is considering the development of a plan to assume ambulance transport services to the City of Cottonwood and to the incorporated and incorporated areas of the VVAC CON surrounding the City of Cottonwood. The following forces were identified as suggested in the Executive Development Course at the National fire Academy.

Existing situational forces that *assist* research purpose:

1. CFD established ACLS first responder
2. State of the art equipment, adequately trained and staffed
3. Active with local and regional EMS committees
4. Historical support of City Hall, Council & community
5. VVAC adequately staffed and equipped for current service demands
6. Working history with VVAC. CFD primary user of VVAC services.
7. Regional medical center is located within our community; Short transports and quick turn-around times.
8. Current ambulance service with transfer of patient care is high risk.
9. Automatic- and mutual-aid ambulances with neighboring fire/EMS providers
10. Other agencies success in Fire/EMS-transport models (Region [x4], State, Nationally)
11. City Billing Dept (utilities-water, sewer)
12. AzBEMS CON regulations
13. Improved ISO rating-via improved daily staffing

Existing situational forces likely to *impede* research purpose:

1. CFD not currently in transport business.
2. VVAC Board/personnel may be apprehensive or oppose
3. City Council and Administration may be apprehensive to take on a new service/project in a slow economy
4. EMS Billing-Medicare, Medicaid, 3<sup>rd</sup> party insurance and private party pays
5. Neighboring fire district(s) or outside ambulance providers may want all or some
6. Jerome, Clarkdale and balance of VVAC CON coverage
7. City of Cottonwood history of overtime authorization/funding occasionally lacking.

How to *eliminate factors that cause or contribute* to problem:

1. CFD not currently in transport business.  
CFD should retain VVAC & CFD personnel to maintain and improve EMS & transport services.
2. VVAC board/personnel may be apprehensive or oppose.  
Identify & address apprehensions & concerns together.
3. City Council and Administration may be apprehensive to take on a new service/project in a slow economy.  
Identify & address apprehensions & concerns together, including working history of CFD & VVAC, VVAC financial experiences and anticipated future.

4. EMS Billing-Medicare, Medicaid, 3<sup>rd</sup> party insurance and private party payer stability. Risk driven by federal government and insurance industry ability to pay. —becomes our problem even if a private entity provided the ambulance service.
5. Neighboring fire district(s) or outside ambulance providers may want all or some of VVAC CON.  
CFD has greatest interest (call load) in ambulance service success. CFD currently is the first responder for this area. CFD may release VVFD's CON service area from the VVAC CON area.
6. Jerome, Clarkdale and balance of VVAC CON coverage  
Provide service equal or greater than current, look to partner with- and locate ambulances in their respective areas via a AzBEMS approved contract.
7. City of Cottonwood Pay/benefits.  
Identify proposed pay & benefit packages for VVAC personnel becoming City of Cottonwood employees. Public safety retirement system should be a positive. Identify & address apprehensions & concerns together.

**How to *capitalize on factors that may assist* in solving problem:**

- Continue to work & build relationships:  
VVAC board & personnel; City Council, Administration & CFD personnel; Regional Medical Center & EMS Medical Director; AzBEMS; Neighboring departments and the public.
- Capitalize on the strengths of VVAC and City of Cottonwood's billing experiences.
- Maximize facility use-Fire Stations, Finance Department and reduce eliminate expenses of a separate ambulance facility.
- Communicate interests and benefits of a service to policy makers, residents through media and targeted presentations (neighborhood communities, senior centers, etc)
- Use local models of combined services as a template for success.

**Set Objectives: describe *specific, measurable outcomes* for each selected strategy:**

See Cottonwood Fire Department Contingency Ambulance Plan

## Appendix G

## Local Ambulance Provider Interview Results

<b>Regional FD/Ambulance Service Provider</b>	<b>Dept #1</b>	<b>Dept #2</b>	<b>Dept #3</b>	<b>Dept #4</b>	<b>VVAC- Current Cottonwood Ambulance Provider</b>
<b>Total # calls 2007</b>	3,671	no response	2,067	2,048	2,963
<b># of EMS calls 2007</b>	2,028		1,257	1,846	2,963
<b>Percent of calls are EMS related</b>	55%		61%	90%	100%
<b>Billing in-house or 3rd party</b>	In-house		3rd party	3rd party	In-house
<b>Revenues</b>	\$1,017,133		\$817,195	\$591,000	\$1,984,849
<b>Expenses</b>	not provided		\$974,482	\$1,642,337	\$1,786,827
<b>Profit/Loss</b>	not provided		-\$157,287	- \$1,051,337	\$198,022
<b>Collection rate</b>	68%		91%	65%	90%
<b>Cost effective opinion?</b>	Yes		No	Yes-some revenue is better than none.	Yes
<b>Comments:</b>	Fire based ambulance allows for greater quality & continuity of care.		Fire based ambulance allows for greater quality & continuity of care.	Seeks reimburse ment from patient's insurance only. Does not seek reimburse ment from patients directly.	-



## Appendix H

### Cottonwood Fire Department Ambulance Contingency Plan

In the event Verde Valley Ambulance Company solicits interest, or chooses, to go out of business the City of Cottonwood Fire Department may use the following objectives as a guide in acquiring and providing its own ambulance CON to service the City of Cottonwood, Town of Clarkdale, Town of Jerome and the unincorporated areas surrounding said communities.

This plan seeks to capitalize on the following factors: CFD is an established BLS/ACLS first responder with state of the art equipment, qualified & experienced staff, working history with VVAC, primary user of VVAC services, transfer of patient care is high risk, regional medical center is located within our community, neighboring fire districts provide similar services, Automatic- and mutual-aid ambulances with neighboring fire/EMS providers, and could improve ISO rating-via improved daily staffing.

#### Objective #1

CFD staff shall review and revise Municipal Code as it pertains to Fire Department services.

- Develop and make recommendations through the City Clerk to the City Council to more accurately reflect the core public health and safety services that the fire department provides to the City of Cottonwood and neighboring communities through automatic- and mutual-aid agreements.

Timeframe: Prior to January 2009. This objective should be pursued regardless of the providing of ambulance services by the City of Cottonwood.

#### Objective #2

Establish a consolidation committee with operations personnel, administration and policy makers of both VVAC & CFD to validate commonalities, differences and create a shared direction of being one agency providing EMS from first-response through medical transport.

- Focus on service history and future.
- Identify benchmarks towards consolidation of services.
- Identify needed positions/personnel.
- Identify employee pay and benefits.

Timeframe: two-four months, initiated upon formal solicitation or declaration to merge or discontinue servicing of CON as a non-profit ambulance service provider; must be initiated by VVAC. Committee should meet as often as necessary to collect, share and discuss information to build relationships of trust, respect and identify direction.

#### Objective #3

Develop support and direction from City Administration and Council. CFD meets with City Finance and Human Resource Departments to identify and complete budget, capital and human resource issues to present to City Administration and Council as a new service for their support and direction. Meet with Council in work session.

- Network information from study committee (Objective #2)

- Using key personnel with CFD & VVAC prepare information (VVAC capital equipment, financial information, employee data, etc.) for Finance & Human Resources.
- Coordinate with City Clerk to present and discuss new project and service information in Council work session for Council direction and support.
- Review and revise as needed to achieve Council support.

Timeframe: two-six months needs to run concurrently with study committee, as both will be generating data needed by the other.

#### Objective #4

Meet with VVAC Board of Directors to report findings of study committee and Council. Seek input and direction from Board of Directors.

- Focus on service history and public service entity with primary focus on safe, efficient patient care.
- Seek direction or commitment to merge with a timeframe that coincides with AzBEMS process, VVAC and City budgeting processes.

Time Frame: one-two months after Objectives #2 & 3 complete.

#### Objective #5

Meet with AzBEMS to discuss CON process benchmarks and complete same.

- Notify AzBEMS with preliminary-names, numbers and intent
- Seek AzBEMS Direction.
- Complete and submit required AzBEMS “CON Application”, “Ambulance Revenue & Cost Report” and fees.
- Identify preliminary timeframes for approval

Time Frame: 30-60 days after Objective #2-based on VVAC’s formal solicitation or declaration to merge or discontinue service.

#### Objective #6

Formalize CFD organizational structure to include ambulance services and merging of VVAC’s personnel and equipment into the City of Cottonwood.

- Review, revise and formalize recommendations of previous objectives.
- Establish a “Start Date” of operating as one agency (AzBEMS, VVAC & City).
- Human Resources-VVAC personnel becoming City employees
- Finance-Transfer of VVAC Capital and debt, establish budget
- Logistics-apparatus placement, staff housing/work areas
- Council-reviews program proposal and votes to approve (or not); via City Clerk or Administrative Staff.
- Inform and education community/users-fact sheets

Timeframe: six-ten months after Objective 2

**Objective #7**

Implement ambulance service to newly established AzBEMS CON for the newly formed Cottonwood Fire Department CON.

- Provide ambulance services as a merged agency.
- Coordinate and monitor field services, billing, quality assurance & reporting with medical director, AzBEMS, Finance, and other served agencies Clarkdale & Jerome Fire Districts).

Timeframe: As established in Objective #6 (Start Date).

**Objective #8**

Monitor progress, evaluate outcomes and revise plan to best serve the communities, department and City..

- Evaluate successes and issues that develop.
- Make adjustments based on identified needs or issues identified.
- Establish users committee with Clarkdale, Jerome and CFD to meet monthly or quarterly to review and revise services as needed.

Timeframe: begins with Objective #7 to include daily review at operations level. Bi-weekly review of reporting, billing and quality assurance until a positive track record is established (then move to monthly review). Monthly reports to City administration and Council with more detail regarding the ambulance service for the first year of service (otherwise standard monthly report).